



**ප්‍රධාන ලේකම් කාර්යාලය, උතුරු පළාත් සභාව**  
**Chief Secretary's Secretariat, Northern Provincial Council**



63, நல்லூர் குறுக்குவீதி, நல்லூர், யாழ்ப்பாணம்.  
63, කල්දොරොස් පාර, කල්දොරොස්, යාපනය.  
63, Nallur Cross Street, Nallur, Jaffna.

Telephone : 021 222 0843 (Dir)  
: 021 222 0840 (Gen)  
Fax : 021 222 0841  
Website : [www.np.gov.lk](http://www.np.gov.lk)  
e-mail : [chiefsecnpc@gmail.com](mailto:chiefsecnpc@gmail.com)

My No: NP/09/FRM/CIR/2017

Date: 15/02/2017

**PROVINCIAL FINANCE CIRCULAR NO:PF/ 06/2015(i)**

Secretaries,

Deputy Chief Secretaries,

Heads of Department

Northern Province.

**PROVINCIAL PROCUREMENT PROCEDURES**  
**AS PER PROCUREMENT GUIDELINES**

It has been decided to revise Para 8 & Annexure 1 & 2 of the Provincial Finance Circular No PF/06/2015 dated 14/07/2015 on the above subject, in the following manner.

**8. APPROVAL, SANCTIONING AND CONTRACT AGREEMENT**

**8.1. Approval and Sanctioning of Estimates**

- For Procurements not exceeding Rs.10 M Regional Head of Department
- For Procurement not exceeding Rs.50 M Head of Department
- For Procurement not exceeding Rs.75 M Provincial Secretary
- For Procurement above Rs.75 M Chief Secretary

ரதிப் பிரதமசெயலாளர்  
இலங்கைப் ப்‍රධානලේකම්  
DEPUTY CHIEF SECRETARY

நிர்வாகம்  
පරිපාලන  
ADMINISTRATION

Tel : 021 320 2571 (Dir)  
: 021 222 0960 (Gen)  
Fax : 021 222 0950  
e-mail : [ppas.np@gmail.com](mailto:ppas.np@gmail.com)

ஆளணிப்பயிற்சி  
පිරිපහදු  
PERSONNEL TRAINING

Tel : 021 739 1250 (Dir)  
: 021 739 1254 (Gen)  
Fax : 021 739 1257  
e-mail : [npmdti@gmail.com](mailto:npmdti@gmail.com)

நிதி  
இதர  
FINANCE

Tel : 021 222 0850 (Dir)  
: 021 222 0854 (Gen)  
Fax : 021 222 0853  
e-mail : [nptreasury@gmail.com](mailto:nptreasury@gmail.com)

பிரதம உள்ளக கணக்காய்வாளர்  
ප්‍රධාන අභ්‍යන්තර විගණක  
CHIEF INTERNAL AUDITOR

திட்டமிடல்  
කුලසම්පාදන  
PLANNING


Tel : 021 223 0355 (Dir)  
: 021 223 0451 (Gen)  
Fax : 021 223 0354  
e-mail : [npplan@sltnet.lk](mailto:npplan@sltnet.lk)

Tel : 021 222 0796 (Dir)  
: 021 222 9528 (Gen)  
Fax : 021 222 0796  
e-mail : [npcaudit@yahoo.com](mailto:npcaudit@yahoo.com)

## 8:2. Execution of Contract Agreement

Execution of Contract Agreement		
<p>Following the acceptance of a bid submitted by a bidder, a formal letter of acceptance shall be issued forthwith to the bidder. This shall be followed by the execution of a formal contract for the following:</p> <p>(a) Any contract for Works exceeding SLR 250,000 (Sri Lanka Rupees Two hundred and fifty thousand) and</p> <p>(b) Any Goods or Service contract exceeding SLR 500,000.00 (Sri Lanka Rupees Five hundred thousand):</p> <p>The formal contract shall be signed by the authorities given below.</p>		
Up to Rs.10 Mn	Regional Head of the Department	Wherever available standard form of agreement approved by Dept. of Public Finance shall be used, The approved forms are published in the Website of Dept. of Public Finance
Up to Rs.50Mn	Head of Department	
Up to Rs.75Mn	Provincial Secretary	
More than Rs.75Mn	Chief Secretary	

Amended annexure 1&2 are annexed herewith.

  
**A. Pathinathan**  
**Chief Secretary**

**A. Pathinathan**  
Chief Secretary  
Northern Province

Copies to

1. Secretary to the Hon. Governor, NP
2. Secretary, Finance Commission
3. Secretary, Ministry of Provincial Council & LG
4. Asst. Auditor General, NP
5. Chief Internal Auditor, NP

To inform the Hon. Governor

For your information please




## PROCUREMENT GUIDELINE REFERENCE: 2.14.1

**AUTHORITY LIMITS OF PROCUREMENT COMMITTEE FOR CONTRACT AWARD RECOMMENDATION/DETERMINATION**

When Open Competitive Bidding Procedure (Guideline 3.1, 3.2 or 3.3), Direct Contracting Procedure (Guideline 3.5) or Repeat Order Procedure (Guideline 3.6) is followed for the procurement of goods, works and services other than consultancy services.

1. The total cost estimate of each procurement shall be considered in deciding the Procurement Authority;
2. In the case of rentals and leases, the contract value for the entire rental or lease period shall be considered in deciding the procurement authority.

Authority		GOSL Funded Projects	Foreign Funded Projects
Cabinet Appointed Procurement Committee (CAPC)		More than Rs.200Mn	More than Rs.600Mn
Board of Ministers Appointed Procurement Committee (BMAPC)		Up to Rs.200Mn	Up to Rs.600Mn
Chief Secretary Procurement Committee - Major (CSPC - Major)		Up to Rs.150Mn	Up to Rs.200Mn
Provincial Ministry Procurement Committee - Major (PMPC - Major)		Up to Rs.75Mn	Up to Rs.150Mn
Department Procurement Committee - Major (DPC - Major)		Up to Rs.50Mn	Up to Rs.50Mn
Project Procurement Committee - Major (PPC - Major)			
Regional Procurement Committee - (RPC)		Up to Rs.10Mn	Up to Rs.10Mn
Divisional Procurement Committee - (DivPC)	Works	Up to Rs.5Mn	Up to Rs.5Mn
	Goods & Services	Up to Rs.1Mn	Up to Rs.1Mn

  
A. Pathinathan  
Chief Secretary  
Northern Province



## PROCUREMENT GUIDELINE REFERENCE: 2.14.1(Cont ...)

**When Shopping Procedure (Guideline 3.4) is followed for the procurement of goods, works and services other than consultancy services**

1. For supply & service contracts, quotations may be invited from:
  - (a) Suppliers listed in SLT rainbow pages etc, if sufficient number of reputed vendors are listed
  - (b) Suppliers registered with the Northern Provincial Council / Procuring Entity / District Secretariat: if applicable
2. For construction contracts, quotations may be invited from the contractors registered with CIDA based on their past performance with the Procuring Entity.
3. For each procurement under shopping procedure, prior approval has to be obtained from the authorities as detailed below for the short listed contractors or suppliers from whom quotations are intended to be invited.

	Level of Procurement Authority	Authority granting approval for the short listed contractors / suppliers for shopping
1.	Provincial Ministry Procurement Committee - Major	Chief Secretary
2.	Department Procurement Committee - Major Project Procurement Committee - Major	Ministry Secretary
3.	Regional Procurement Committee (RPC)	Head of the Department
4.	Divisional Procurement Committee (DivPC)	

The Procuring Entity shall use standard documents in line with the Government Procurement Guidelines, where applicable and bids shall be closed at pre-disclosed deadline and public bid opening. For vehicle repairs exceeding Rs.50,000, Mechanical Engineer's recommendation has to be obtained prior to repair and after repair before making payment. For vehicle repairs exceeding Rs.0.1Mn, in addition to Mechanical Engineer's recommendation, Ministry Secretary's personnel approval is required. For vehicle repairs exceeding Rs.0.2Mn, in addition to Mechanical Engineer's recommendation, Chief Secretary's personnel approval is required.



Level of Authority	Minimum quotations to be invited	Limits of Authority	
		GOSL Funded (Rs.Mn)	Foreign Funded (Rs.Mn)
Chief Secretary Procurement Committee - Major (CSPC - Major)	<b>Works</b> By inviting at least five sealed quotations and receiving at least three quotations	Up to 20	Up to 20
	<b>Goods &amp; Services other than Consultancy Services</b> By inviting at least five sealed quotations and receiving at least three quotations	Up to 12	Up to 12
	<b>Goods &amp; Services other than Consultancy Services</b> By inviting at least three sealed quotations and receiving at least three quotations	Up to 8	Up to 8
Provincial Ministry Procurement Committee - Major (PMPC - Major)	<b>Works</b> By inviting at least five sealed quotations and receiving at least three quotations	Up to 5	Up to 5
	<b>Goods &amp; Services other than Consultancy Services</b> By inviting at least five sealed quotations and receiving at least three quotations	Up to 5	Up to 5
	<b>Goods &amp; Services other than Consultancy Services</b> By inviting at least three sealed quotations and receiving at least three quotations	Up to 0.5	Up to 0.5
Department Procurement Committee - Major (DPC - Major)  Project Procurement Committee - Major (PPC - Major)	<b>Works</b> By inviting at least five sealed quotations and receiving at least three quotations	Up to 2	Up to 2
	<b>Goods &amp; Services other than Consultancy Services</b> By inviting at least five sealed quotations and receiving at least three quotations	Up to 1	Up to 1
	<b>Goods &amp; Services other than Consultancy Services</b> By inviting atleast three sealed quotations and receiving at least three quotations	Up to 0.25	Up to 0.25

*[Signature]*  
A. Pathinathan  
Chief Secretary  
Northern Province



Level of Authority	Minimum quotations to be invited	Limits of Authority	
		GOSL Funded (Rs.Mn)	Foreign Funded (Rs.Mn)
Regional Procurement Committee (RPC)	<b>Works</b> By inviting at least five sealed quotations and receiving at least three quotations	Up to 1	Up to 1
	<b>Goods &amp; Services other than Consultancy Services</b> By inviting at least five sealed quotations and receiving at least three quotations	Up to 0.5	Up to 0.5
Divisional Procurement Committee (DivPC)	<b>Works</b> By inviting at least five sealed quotations and receiving at least three quotations	Up to 0.5	Up to 0.5
	<b>Goods &amp; Services other than Consultancy Services</b> By inviting at least five sealed quotations and receiving at least three quotations	Up to 0.25	Up to 0.25
Minor Procurement Committee at the levels of Chief Secretary / Provincial Ministry / Department.	<b>Works</b> By inviting at least three sealed quotations and receiving at least three quotations	Up to 1	Up to 1
	<b>Goods &amp; Services other than Consultancy Services</b> By inviting at least three sealed quotations and receiving at least three quotations	Up to 0.5	Up to 0.5



## PROCUREMENT GUIDELINE REFERENCE: 2.14.1(Cont ...)

**Direct Purchase of smaller value repair works, goods and services (Guideline 3.5 and 3.6) (by GOSL funds or foreign funds)**

Level of Authority	Requirement to be fulfilled	Authority Limit
Chief Secretary Procurement Committee - Minor (CSPC - Minor)	<b>Works</b> •Satisfying the requirements given under Guideline 3.5 or 3.6	Up to Rs.500,000
Provincial Ministry Procurement Committee - Minor (PMPC - Minor)	<b>Works</b> •When it is uneconomical to follow competitive procedure. • CS/MS/HD/PD must ensure the economy of procurement.	Up to Rs.200,000
Department Procurement Committee - Minor (DPC - Minor)	•This authority should be used under the personal supervision of CS/MS/HD/PD & should not be delegated to any person.	
Project Procurement Committee - Minor (PPC - Minor)	<b>Goods &amp; Services other than Consultancy Services</b> •Satisfying the requirements given under Guideline 3.5 or 3.6	Up to Rs.200,000
Chief Secretary	<b>Goods &amp; Services other than Consultancy Services directly from open market</b> • When it is uneconomical to follow competitive procedure.	Up to Rs.25,000 per event per day and max Rs.100,000 per month
Ministry Secretary	• CS/MS/HD/PD/RH/DivH must ensure urgency / emergency and the economy of procurement but not exceeding the stipulated limits.	Up to Rs.15,000 per event per day and max Rs.60,000 per month
Head of the Department / Project Director	• Any other procurement not exceeding Rs.1,000 per event shall be directly procured from open market.	Up to Rs.10,000 per event per day and max Rs.40,000 per month
Regional Heads who were delegated authority by Head of Department	• This authority should be used under personal supervision of CS/MS/HD/PD/RH/DivH.	Up to Rs.5,000 per event per day and max Rs.25,000 per month
Divisional Heads or Officers in charge of separate units who were delegated authority by Head of Department.	• But cumulative expense of all open market procurements (including urgent / emergency) should be within the stipulated max monthly limitation.	Up to Rs.3,000 per event per day and max Rs.15,000 per month



## PROCUREMENT GUIDELINE REFERENCE: 2.14.1(Cont ...)

**Direct Purchase of smaller value repair works, goods and services (Guideline 3.5 and 3.6) (by GOSL funds or foreign funds)**

Level of Authority	Requirement to be fulfilled	Authority Limit
<p>Chief Secretary Procurement Committee - Minor (CSPC - Minor)</p> <p>Provincial Ministry Procurement Committee - Minor (PMPC - Minor)</p> <p>Department Procurement Committee - Minor (DPC - Minor)</p> <p>Project Procurement Committee - Minor (PPC - Minor)</p>	<p><b>Repairs to motor vehicles</b></p> <ul style="list-style-type: none"> <li>• When it is uneconomical to follow competitive procedure.</li> <li>• CS/MS/HD/PD must ensure the economy of procurement.</li> <li>• This authority should be used under personal supervision of CS/MS/HD/PD.</li> <li>• For vehicle repairs exceeding Rs.30,000, Ministry Secretary / Deputy Chief Secretary's personal approval is required.</li> <li>• For vehicle repairs exceeding Rs.50,000, Mechanical Engineer's recommendation has to be obtained.</li> <li>• For vehicle repairs exceeding Rs.50,000, in addition to Mechanical Engineer's recommendation, Chief Secretary's personal approval is required.</li> <li>• For repairs exceeding Rs.100,000/-, appropriate other procurement procedures shall be adopted. Chief Secretary's personal approval is required.</li> </ul>	Up to Rs.100,000
Regional Heads or Officers in charge Of separate units who Were delegated authority by HD	<p><b>Repair motor vehicle to a value not exceeding;</b></p> <ol style="list-style-type: none"> <li>(1) Maximum Rs. 20,000/- per event and maximum Rs. 40,000 per month for Regional Procurement Committee (RPC)</li> <li>(2) Maximum Rs. 10,000/- per event and maximum Rs. 10,000 per month for Divisional Procurement Committee (DivPC)</li> </ol>	




## **Classification of Regional / Divisional Procurement Committee**

### **Regional Procurement Committee (RPC)**

1. Office of the Chief Engineer (Building Department)
2. Office of the Chief Engineer (Road Development Department)
3. Office of the Deputy Director of Irrigation
4. Office of the Assistant Commissioner of Local Government (ACLG)
5. Municipal Council
6. Office of the Regional Director of Health Service (RDHS)
7. District General Hospitals
8. Office of the Deputy Director of Agriculture
9. Office of the Deputy Director of Animal Production and Health
10. Zonal Education

### **Divisional Procurement Committee (Div.P.C)**

1. Irrigation Engineer's Office
2. Executive Engineer's Office (Building Department)
3. Executive Engineer's Office (Road Development Department)
4. Urban Council
5. Pradeshiya Sabha
6. District Assistant Commissioner of Co-operative Development



A. Pathinathan  
Chief Secretary  
Northern Province